

PUBLIC DISCLOSURE

August 13, 2018

COMMUNITY REINVESTMENT ACT PERFORMANCE EVALUATION

Mizuho Bank (USA)
RSSD No. 229913

1251 Avenue of the Americas
New York, NY 10020

FEDERAL RESERVE BANK OF NEW YORK
33 LIBERTY STREET
NEW YORK, NY 10045

NOTE: This document is an evaluation of this institution's record of meeting the credit needs of its entire community, including low- and moderate-income neighborhoods, consistent with safe and sound operation of the institution. This evaluation is not, nor should it be construed as, an assessment of the financial condition of this institution. The rating assigned to this institution does not represent an analysis, conclusion, or opinion of the federal financial supervisory agency concerning the safety and soundness of this financial institution.

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INSTITUTION'S CRA RATING: This institution is rated Outstanding.

The outstanding performance of Mizuho Bank USA (Mizuho, bank) with regard to the Community Reinvestment Act ("CRA") is based on the following performance criteria:

- A high level of community development loans, community development services, and qualified investments, particularly investments that are not routinely provided by private investors.
- Excellent responsiveness to credit and community economic development needs in its assessment area.
- Extensive use of innovative or flexible community development loans, qualified investments, and community development services.

SCOPE OF EXAMINATION

Procedures

Mizuho's performance was evaluated using the Federal Financial Institutions Examination Council ("FFIEC") Wholesale and Limited Purpose Examination Procedures. These procedures consist of a community development test, which evaluates the bank's investment, loan, and service activity investment, loan, and service initiatives; and responsiveness to community development needs. Examiners conducted a full-scope review of community development loans, qualified investments (including philanthropic grants), and community development services provided between April 1, 2016 through June 30, 2018. In addition, examiners evaluated qualified investments from the prior CRA evaluation with outstanding balances as of June 30, 2018.

The extent, by number and dollar amount, of Mizuho's community development loans, qualified investments, and community development services were evaluated primarily for activities made within its assessment area, and secondarily for activities that benefitted the broader statewide or regional area that included Mizuho's assessment area. According to the FFIEC Wholesale and Limited Purpose Examination Procedures, because Mizuho adequately met the community development needs of its assessment area, community development loans, qualified investments, and community development services that benefitted the broader statewide or regional area that did not include the assessment area or areas outside of the assessment area were also considered for credit.

Examiners conducted an analysis of the dollar amount of community development loans and qualified investments as a percentage of average assets maintained during the evaluation period and as a percentage of Tier 1 capital as of June 30, 2018. Mizuho's performance level was compared to the level of community development loans and qualified investments of peer banks operating in Mizuho's assessment area. Peer institutions were selected based on the criteria that they have been designated as

wholesale banks, they maintained over \$1 billion in assets, and they incorporated the five boroughs of New York City as part of their assessment area.

Examiners also evaluated the degree in which Mizuho used innovative, complex or flexible qualified investments, community development loans, or community development services, and also Mizuho's responsiveness to community development needs in its assessment area.

In order to gain an understanding of the community's credit needs, examiners considered performance context information. Examiners reviewed demographic and economic data related to Mizuho's assessment area. Performance context data was obtained from publicly available sources including the U.S. Department of Commerce's 2010 Census ("2010 Census"), the 2015 estimated Census data from the American Community Survey ("ACS"), FFIEC, the New York State Association of Realtors ("NYSAR"), the National Association of Realtors ("NAR"), the U.S. Department of Labor ("DOL"), and Dun & Bradstreet ("D&B").

Community Contacts

In order to learn more about community credit needs, examiners conducted interviews with four organizations located in Mizuho's assessment area. One organization's mission was to strengthen individuals and communities by developing and sustaining affordable housing and programs for homeless and other vulnerable New Yorkers. The second agency's mission was to invest in local communities and improve the health of local residents by providing advisory services and responsible, affordable loan capital. The third organization's mission was to create opportunity for low- and moderate-income ("LMI") people through affordable housing in diverse, thriving communities. The remaining organization's mission was to conduct interagency research to identify areas of service need and promote citywide policy change throughout New York City. Community contacts noted an exceptionally strong need for affordable housing as well as healthcare and financial education for LMI families, individuals and communities in New York City.

DESCRIPTION OF INSTITUTION

Mizuho is a state-chartered banking organization headquartered in New York, NY. Mizuho maintained two branch offices in New York, NY, including its headquarters at 125 Avenue of the Americas and an additional branch office at 320 Park Avenue. Effective December 31 2017, Mizuho Bank (USA) merged with Mizuho Trust & Banking Co. (USA) (Mizuho Trust). Upon completion of the merger, Mizuho Trust's office located at 135 West 50th Street became Mizuho's third office. Mizuho does not operate any proprietary automated teller machines (ATMs) or loan production offices. Mizuho provides investment management, commercial banking, and fiduciary services to institutions throughout the New York area.

As of June 30, 2018, Mizuho maintained assets of \$5.4 billion, which was a decrease from the previous CRA evaluation when assets equaled \$6.4 billion as of March 31, 2016. As of June 30, 2018, Mizuho's total deposits equaled \$2.6 billion and net loans and leases equaled \$4.2 billion. Based on the financial condition and size of the institution, Mizuho was able to meet the various credit needs of its community.

Mizuho did not extend home mortgage or consumer credit to retail customers or the general public. Mizuho's designation as a wholesale bank for CRA purposes was verified during this evaluation.

Mizuho's previous CRA evaluation was conducted as of June 6, 2016, also under the wholesale bank procedures. Mizuho received an overall rating of Outstanding. There are no financial or legal impediments that would prevent Mizuho from fulfilling its obligations under CRA.

Assessment Area

Mizuho maintained one assessment area in the State of New York that consisted of the five boroughs of New York City: Bronx County ("Bronx"), Kings County ("Brooklyn"), New York County ("Manhattan"), Queens County ("Queens"), and Richmond County ("Staten Island"). The assessment area is part of Metropolitan Division ("MD") 35614 (New York-Jersey City-White Plains, NY-NJ), which is part of the Metropolitan Statistical Area ("MSA") 35620 (New York-Newark-New Jersey, NY-NJ-PA).

The geographic footprint of Mizuho's assessment area has not changed since the previous evaluation. During this evaluation, examiners determined that the assessment area was in compliance with the requirements of Section 228.41 of Federal Reserve Regulation BB, which implements the CRA. A map of the assessment area is included Appendix A.

Performance Context

As noted earlier, the data used to describe the assessment area and to evaluate the context in which Mizuho operates was obtained from publicly available sources.

Demographic Characteristics

The assessment area consists of New York City, which is the most densely populated major city in the United States. According to the ACS, demographic data reflected that the population of the assessment area was 8,426,743. The ACS reported a total of 2,167 census tracts and 1,865,277 families living in the assessment area. New York City is a very diverse area, resulting from the city historically serving as a primary point of entry into the U.S. for immigrants. The New York City Comptroller's office reported on January 11, 2017 that New York City had 3,300,000 foreign-born immigrants from more than 150 countries, which comprised nearly 40.0% of the city's population. Immigrants represented 46.0% of the city's workforce, a higher share than in any major city, except Miami.

Income Characteristics

According to the ACS, income data reflected that out of the 2,167 census tracts in the assessment area, 347 (16.0%) were designated as low-income and 608 (28.1%) were classified as moderate-income. Out of

MEDIAN FAMILY INCOMES		
Area	2016	2017
MD 35614	\$72,600	\$ 73,700
State of New York	\$77,379	\$80,114

the 1,865,277 families in the assessment area, 607,082 (32.6%) were low-income, 303,054 (16.2%) were moderate-income, and 325,721 (17.5%) families lived below the poverty level. In New York City, poverty levels were concentrated geographically with 90,233 (28.3%) of the families in Bronx County living below the poverty level, and 114,942 (19.6%) of the families in Kings County living below the poverty level. Therefore, community development activities that target LMI individuals and families were particularly important in New York City. Community contacts noted the need for financial education targeting LMI individuals and communities in New York City.

As shown in the table above and reflected from FFIEC data, the 2017 median family income (“MFI”) for MD 35614 (New York-Jersey City-White Plains, NY-NJ) was \$73,700, compared to \$72,600 in 2016. Median income estimates for New York City in 2016 and 2017 are below the income levels for the State of New York.

Housing Characteristics

The ACS housing data reflected that New York City contained 3,422,225 housing units, of which 991,350, or 29.0%, were owner-occupied. Of the owner-occupied units in the assessment area, 46,788 housing units, or 7.5% were located in low-income census tracts, and 193,121 housing units, or 20.8%, were located in moderate-income census tracts. The remaining housing in the assessment area consisted of rental housing units of 2,122,185, or 62.0%, and vacant housing stock at 308,690 units, or 9.0%. The high percentage of rental units limited opportunities for residential real estate lending. The ACS noted that the median age of housing stock in this assessment area was 61 years old.

In New York City, housing is generally expensive, and according to community contacts, the need for genuinely affordable housing surpasses the supply in New York City. According to NAR, as of December 2017, the median sales price of an existing single-family home in MD 35614 (New York-Jersey City-White Plains, NY-NJ) was \$382,500. This was an increase of \$12,300 when compared to the median sales price of \$370,200 as of December 2016. Additionally, this was approximately over 6.6 times the MFI of a low-income borrower and approximately five times the MFI of a moderate-income borrower. The affordability ratio in the assessment area was 10.8%, which signified that housing is expensive in the assessment area. Rents are also expensive in the assessment area. The ACS valued median gross rent for the assessment area was \$1,256, which was slightly higher when compared to the median gross rent of \$1,132 for the State of New York.

The combination of low vacancy rates and high real estate prices continue to make it challenging to find affordable housing in the assessment area. The assessment area also has a shortage of affordable rental housing, which is in high demand due to the increasing purchase prices for homes.

Labor, Employment and Economic Characteristics

The MD 35614 (New York-Jersey City-White Plains, NY-NJ) assessment area is a global hub of international business and commerce. New York County is a major center for finance, insurance, real estate, and the arts in the United States. Many major corporations are headquartered in the MD 35614 (New York-Jersey City-White Plains, NY-NJ) assessment area, including numerous Fortune 500 companies. According to D&B, as of 2017, there were 294,750 businesses operating in this assessment area, of which 10.8% were located in low-income areas, and 19.6% were located in moderate-income areas. Of the total businesses operating in the assessment area, 87.7% were businesses with gross annual revenues of \$1 million or less.

As shown in the table to the right, the annual unemployment rate for MD 35614 (New York-Jersey City-White Plains,

AVERAGE ANNUAL UNEMPLOYMENT RATE			
Area	2015	2016	2017
MD 35614	5.5%	4.9%	4.5%
State of New York	5.3%	4.8%	4.7%

NY-NJ) demonstrated a decreasing trend from 2015 to 2017, with the unemployment rate at 5.5% in 2015, 4.9% in 2016, and 4.5% in 2017. The unemployment rate within the State of New York is proportionate with this trend, declining from 5.3% in 2015 to 4.7% in 2017.

Additional performance context data for this assessment area is provided in Exhibit I, MD 35614 (New York-Jersey City-White Plains, NY-NJ) Assessment Area Demographics table, on the following page.

Exhibit I
Assessment Area Demographics – 2017
Assessment Area: MD 35614 (New York-Jersey City-White Plains, NY-NJ)

Income Categories	Tract Distribution		Families by Tract Income		Families < Poverty Level as % of Families by Tract		Families by Family Income	
	#	%	#	%	#	%	#	%
Low-income	347	16.0	378,285	20.3	140,918	37.3	607,082	32.5
Moderate-income	608	28.1	545,241	29.2	110,031	20.2	303,054	16.2
Middle-income	631	29.1	490,110	26.3	53,329	10.9	292,888	15.7
Upper-income	515	23.8	449,220	24.1	21,144	4.7	662,253	35.5
Unknown-income	66	3.0	2,421	0.1	299	12.4	0	0.0
Total Assessment Area	2,167	100.0	1,865,277	100.0	325,721	17.5	1,865,277	100.0
	Housing	Housing Types by Tract						
	Units by Tract	Owner-Occupied			Rental		Vacant	
		#	%	%	#	%	#	%
Low-income	620,209	46,788	4.7	7.5	530,734	85.6	42,687	6.9
Moderate-income	929,324	193,121	19.5	20.8	660,036	71.0	76,167	8.2
Middle-income	827,051	340,344	34.3	41.2	422,335	51.1	64,372	7.8
Upper-income	1,036,378	409,140	41.3	39.5	502,884	48.5	124,354	12.0
Unknown-income	9,263	1,957	0.2	21.1	6,196	66.9	1,110	12.0
Total Assessment Area	3,422,225	991,350	100.0	29.0	2,122,185	62.0	308,690	9.0
	Total Businesses by Tract	Businesses by Tract & Revenue Size						
		Less Than or = \$1 Million		Over \$1 Million		Revenue Not Reported		
		#	%	#	%	#	%	
Low-income	31,719	10.8	29,074	11.2	2,503	7.2	142	9.4
Moderate-income	57,866	19.6	53,216	20.6	4,452	12.8	198	13.2
Middle-income	58,173	19.7	53,883	20.8	4,061	11.7	229	15.2
Upper-income	138,069	46.8	116,246	45.0	20,972	60.3	851	56.6
Unknown-income	8,923	3.0	6,050	2.3	2,790	8.0	83	5.5
Total Assessment Area	294,750	100.0	258,469	100.0	34,778	100.0	1,503	100.0
	Percentage of Total Businesses:			87.7		11.8		.5

2016 FFIEC Census Data and 2017 D&B Information

CONCLUSIONS WITH RESPECT TO PERFORMANCE

Overall, Mizuho provided a high level of community development loans, investments and services, particularly investments that were not routinely provided by private investors. Mizuho demonstrated excellent responsiveness to credit and economic development needs in its assessment area, as well as outside of its assessment area. Mizuho extensively used flexible qualified community development loans and services.

Community Development Test

Mizuho had a high level of community development loans, qualified investments, and community development services. Mizuho extensively used flexible qualified community development loans and services. As illustrated in Exhibit II below, Mizuho made 181 community development loans and qualified investments that totaled \$155.7 million during the CRA evaluation period. Of the total community development loans and qualified investments made by Mizuho, 113, or 62.4%, totaling \$102.3 million, or 65.7%, directly benefitted the bank’s assessment area. A total of five qualified investments, or 2.8% by count, totaling approximately \$3.0 million, or 1.9% by dollar amount, benefitted the broader statewide or regional area that included the assessment area. Mizuho also made 63, or 34.8% by count, community development loans and qualified investments, totaling \$50.5 million, or 32.4% by dollar amount that benefitted the broader regional or statewide area outside the assessment area.

Exhibit II Summary of Community Development Loans and Qualified Investments Inside and Outside Assessment Area <i>April 1, 2016 through June 30, 2018</i>												
Geography	Loans				All Qualified Investments				TOTAL			
	#	% (#)	(\$000)	%(\$)	#	% (#)	(\$000)	%(\$)	#	% (#)	(\$000)	%(\$)
Inside Assessment Area	7	87.5%	76,500	60.5%	106	61.3%	25,784	88.2%	113	62.4%	102,284	65.7%
Broader Statewide/Regional Area Including AA	None	None	None	None	5	2.9%	2,995	10.2%	5	2.8%	2,995	1.9%
Outside of Assessment Area	1	12.5%	50,000	39.5%	62	35.8%	451	1.5%	63	34.8%	50,451	32.4%
TOTAL	8	100.0%	126,500	100.0%	173	100.0%	29,230	100.0%	181	100.0%	155,730	100.0%

Mizuho exhibited excellent responsiveness to the credit and community development needs of its assessment area. Exhibit III below provides a summary of the types of community development loans and qualified investments made during the evaluation period. By number, of Mizuho’s total community development loans and qualified investments, 112, or 61.9%, were targeted to community development services. By dollar volume, of Mizuho’s total community development loans and qualified investments, \$61.9 million, or 39.7%, were targeted to affordable housing.

Exhibit III Summary of Community Development Loans and Qualified Investments By Primary Purpose Designation Inside and Outside Assessment Area April 1, 2016 through June 30, 2018												
Designation	Loans				All Qualified Investments				TOTAL			
	#	% (#)	(\$000)	%(\$)	#	% (#)	(\$000)	%(\$)	#	% (#)	(\$000)	%(\$)
Affordable Housing	4	50.0%	34,500	27.3%	50	28.9%	27,373	93.6%	54	29.8%	61,873	39.7%
Community Services	3	37.5%	42,000	33.2%	109	63.0%	1,562	5.3%	112	61.9%	43,562	28.0%
Economic Development	None	None	None	None	8	4.6%	158	0.6%	8	4.4%	158	0.1%
Revitalize and Stabilize	1	12.5%	50,000	39.5%	6	3.5%	137	0.5%	7	3.9%	50,137	32.2%
TOTAL	8	100.0%	126,500	100.0%	173	100.0%	29,230	100.0%	181	100.0%	155,730	100.0%

Overall, as demonstrated in Exhibit IV below, Mizuho provided 64 activities that qualified as community development services during the CRA evaluation period. All community development services provided by Mizuho benefitted the bank’s assessment area and the broader statewide or regional area that included the assessment area.

Exhibit IV Summary of Community Development Services April 1, 2016 through June 30, 2018				
Geography	Ongoing Board and Committee Memberships	Technical Assistance Events	Seminars	Total
Inside Assessment Area	31	14	14	59
Broader Statewide/Regional Area (Including AA)	0	2	3	5
Total	31	16	17	64

Community Development Lending

Mizuho had a high level of community development loans. As shown in the table to the right,

COMMUNITY DEVELOPMENT LENDING				
Purpose	#	% (#)	\$('000s)	% (\$)
Affordable Housing	4	57.1%	\$34,500	45.1%
Community Services	3	42.9%	\$42,000	54.9%
Total	7	100.0%	\$76,500	100.0%

during the evaluation period, Mizuho originated seven community development loans within the assessment area that equaled a total of \$76.5 million.

Mizuho’s community development loans within the assessment area increased \$7.3 million (10.6%) since the prior evaluation period when Mizuho generated a total of \$69.2 million in community development loans. The level of Mizuho’s community development loan activity as a percentage of annualized community development loans to average assets maintained during the evaluation period was comparable to the level of Mizuho’s peer wholesale banks operating in the assessment area.

Mizuho exhibited excellent responsiveness to credit and community economic development needs in its assessment area. Mizuho’s community development loans were responsive to housing and community development needs, which were identified as critical by community contacts and other relevant performance context data. As illustrated in the table above, four community development loans, or 57.1%, totaling \$34.5 million, or 45.1%, supported affordable housing. Mizuho also provided financing for three community development loans, or 42.9%, totaling \$42.0 million, or 54.9%, related to community development services, including expansion of primary health care facilities, which were another pressing need identified by community contacts in the assessment area. Mizuho’s financing specifically aided LMI communities with access to healthcare, health homes, and wellness facilities.

Mizuho had a high level of community development loans that were not routinely provided by other institutions and made an extensive use of flexible lending practices in serving the assessment area’s credit needs. Community development loans were extended to non-profit community development financial institutions (“CDFIs”), which provided credit to underserved markets, as well as to affordable housing developers. Many of these CDFIs provided financing and technical expertise to community development organizations, which were not typically provided by for-profit or private entities. One community contact communicated that Mizuho’s annually renewable lines of credit do not contain “annual clean-up” conditions requiring the borrower to pay off an outstanding balance of the credit line and maintain a zero balance for a period of time prior to renewal were particularly useful. Specifically, borrowers can use their lines of credit on an ongoing permanent basis.

Examples of Mizuho’s community development loans, including flexible and responsive loans, are listed below:

- A \$15 million revolving line of credit to a CDFI, which provided loan capital to affordable housing and community facility developers with the intent of increasing the stock and improving the quality

of affordable housing and community facilities. Mizuho's unsecured revolving line of credit allowed the organization to borrow funds when needed to help finance its community development activity in New York City.

- A \$15 million revolving line of credit to a leading national community development financial institution that provided loans, grants, and technical assistance with the mission of alleviating poverty. As a CDFI, the organization invested in projects that helped to bridge the gap between low-income neighborhoods and public and private capital sources. Mizuho's two-year revolving line of credit supported the organization's short-term capital needs by allowing it to choose the period of repayment for any drawdowns from the credit line. Mizuho's two-year revolving line of credit also provided funding for the organization's community development activities in New York City and short-term working capital to finance the organization's operations.
- A \$12 million revolving line of credit to a CDFI organization that helped build, renovate, and/or expand primary healthcare facilities for patients in underserved communities. Mizuho's revolving line of credit for the organization provided a variety of short and long term loan products to help primary health care centers in economically-distressed areas with pre-development, acquisition, renovation/expansion, and/or bridge financing.
- A \$7 million revolving line of credit to an organization that enabled individuals and families to overcome or avoid homelessness through a range of services, including developing and sustaining exceptional supportive and affordable housing. Mizuho's revolving line of credit provided flexible pre-development and acquisition funding for the organization's affordable housing development efforts.

Qualified Investments

Mizuho had a high level of qualified investments, particularly investments that were not routinely provided by private investors. As shown in the table to the right, during the evaluation period, Mizuho maintained a portfolio of 111 qualified investments that equaled \$28.8 million in the assessment area and the broader statewide or regional area that included the assessment area.

QUALIFIED INVESTMENTS				
Purpose	#	% (#)	\$('000s)	% (\$)
Affordable Housing	44	39.6%	\$27,264	94.7%
Community Services	56	50.5%	\$1,232	4.3%
Economic Development	8	7.2%	\$158	0.5%
Revitalize and Stabilize	3	2.7%	\$125	0.4%
Total	111*	100.0%	\$28,779	100.0%
*Five of these 111 qualified investments had funds that were allocated to projects at the broader statewide or regional area including the assessment area.				

Of the total qualified investments, including philanthropic grants, \$25.8 million (88.2%) were directly within Mizuho's assessment area, and approximately \$3.0 million (10.2%) were invested in the broader statewide or regional area that included the assessment area. Of the qualified total investments made within Mizuho's assessment area and broader state wide or regional area including the assessment area, \$2.1 million (7.3%) were new investments made since the prior evaluation, and \$26.7 million (92.7%) were investments made during the prior CRA evaluation.

Through its charitable foundation, Mizuho USA Foundation, Mizuho provided philanthropic grants to community development organizations in the assessment area, which are included in the table above. Mizuho made \$1.3 million in donations and grants to community development organizations, of which 99.6% were dedicated to community development organizations operating directly in the bank's assessment area, and 0.4%, were allocated to organizations operating within the broader statewide or regional area including the assessment area.

Total qualified investments in the assessment area and the broader statewide or regional area that included the assessment area decreased by \$1.6 million, or 5.2%, when compared to the prior evaluation period. Although qualified investments decreased slightly since the prior CRA evaluation, on an annualized basis the level of Mizuho's qualified investment activity as a percentage of annualized qualified investments to average assets maintained during the evaluation period was comparable to the levels of Mizuho's peer wholesale banks.

Mizuho exhibited excellent responsiveness to credit and community economic development needs in its assessment area. Community contacts and performance context information both signaled that affordable housing was a critical need within the assessment area. According to the table above, \$27.3 million of Mizuho's activity was dedicated to affordable housing initiatives, addressing a key community development need. Of the total dollar volume of affordable housing initiatives, \$24.8 million (90.8%) were made inside Mizuho's assessment area, and an additional \$2.5 million (9.1%) were extended to the broader statewide or regional area that included the assessment area.

Mizuho extensively used complex qualified investments that were not routinely provided by Mizuho's peers and were additionally responsive to New York City's critical need for affordable housing. Of Mizuho's total dollar amount of qualified investments made in the assessment area and the broader statewide or regional area that included the assessment area, \$1.7 million, or 5.9%, consisted of investments in low income housing tax credits ("LIHTCs"). LIHTCs are considered complex, requiring considerable ongoing management and attention and expertise due to the technical accounting requirements associated with the administration of the investments over time.

Examples of Mizuho's qualified investments, including innovative, complex, or responsive investments, are listed below:

- Multiple investments into a mutual fund of \$24.3 million that invested in fixed income securities to promote community development, including affordable housing. These investments were identified, purchased, and earmarked by Mizuho for use in the bank's assessment area. This mutual fund made investments that enabled government agencies and other entities to invest in community development and related activities.
- A \$500 thousand nominee deposit into an association of community development credit unions ("CDCU") that provided safe and responsible financial services to underserved communities. The nominee deposit enabled the CDCU to provide capital resources to member CDCUs to increase their capacity to support and serve underserved communities.

Community Development Services

Mizuho had a high level of community development services. As shown in the table to the right, during the evaluation period, Mizuho provided 64 activities that qualified as community development services in the assessment area and the broader statewide or regional area that included the assessment area. Of the total community development services, 31 (48.4%) were attributed to ongoing board and committee memberships, 16 (25.0%) were related to technical assistance events, and 17 (26.6%) were credited to leading or conducting seminars.

COMMUNITY DEVELOPMENT SERVICES		
Activity Type	#	% (#)
Ongoing Board and Committee Memberships	31	48.4%
Technical Assistance Events	16	25.0%
Seminars	17	26.6%
Total	64	100.0%

Community development services provided by Mizuho were highly responsive to community development needs in its assessment area. Mizuho provided human, technical, and financial resources to many of the non-profit community-based organizations, establishing long-term and multi-faceted relationships. Mizuho extensively used innovative community development services. Mizuho’s active volunteer program in the New York City area, known as the “Mizuho Cares” program, relied upon the financial and professional expertise of Mizuho’s staff to focus activities on: underserved youth, financial education and responses to basic needs, such as hunger and homelessness.

Recognizing the significant need for financial education for children and adults in the New York City area, Mizuho launched a special volunteer initiative to enable Mizuho staff to serve as financial education “FinEd Blitz” volunteers.

Examples of community development services, including innovative, complex, or responsive services, are listed below:

- A First Vice President continuously served as a board member on a community development credit union whose mission is to support the economic development of neighborhoods through consumer, business, home loans, and core financial services. As a board member, the Mizuho employee provided board-level oversight, strategic guidance, and direct assistance relating to the credit union’s information technology, security, disaster recovery, and physical security functions.
- A Managing Director served as a member of the advisory board of a CDFI that provided innovative capital solutions to support healthy families and communities. As an advisory board member, the Mizuho employee provided technical assistance on program development and budget planning.
- Mizuho launched a special volunteer initiative to enable employees to serve as financial education volunteers. The program featured several financial education workshops held in a two week period, reaching a range of LMI audiences using different curricula and formats. The first “FinEd Blitz,” held in July 2017, featured five volunteer projects in ten days benefiting 120 underserved youth and women. The program enlisted 70 volunteers, including 30 first timers, who provided 140 hours of

service. The second annual “FinEd Blitz” took place over ten days in May 2018, reaching 67 underserved youth and adults with 36 volunteers for a total of 72 hours.

FAIR LENDING OR OTHER ILLEGAL CREDIT PRACTICES REVIEW

During the review period of this evaluation, the Federal Reserve did not cite any violations involving discriminatory or other illegal credit practices that adversely affects the Federal Reserve’s evaluation of the Mizuho’s CRA performance as of the date of this report. The Federal Reserve is unaware of any violations of the Equal Credit Opportunity Act or the Unfair, Deceptive, and/or Abusive Acts or Practices.

OTHER ACTIVITIES

As permitted under the Interagency Wholesale or Limited Purpose CRA Procedures, if a wholesale or limited purpose institution has adequately addressed the community development needs of its assessment area, community development activities that benefit areas outside of the assessment area and a broader statewide or regional area can be considered. As indicated previously in the performance evaluation, Mizuho has been responsive to the needs of its assessment areas. Furthermore, Mizuho has provided approximately \$50.5 million in national funds outside its assessment area, which serve to augment the bank’s performance and contribute to the *Outstanding* rating for the institution.

SUMMARY OF INSTITUTION’S OTHER COMMUNITY DEVELOPMENT ACTIVITIES

Community Development Loans

During the evaluation period, as noted in the table to the right, Mizuho issued one \$50.0 million standby letter of credit (LC) that benefitted a borrower and market outside of its assessment area. The LC was issued on behalf of a borrower whose operations were in a geography designated as a disaster area by the Federal Emergency Management Agency (FEMA) severely impacted by the Hurricane Harvey. The LC enabled the borrower to obtain necessary supplies to resume operations in the impacted area.

COMMUNITY DEVELOPMENT LOANS				
Purpose	#	% (#)	\$(‘000)	% (\$)
Revitalize and Stabilize	1	100.0%	\$50,000	100.0%
Total	1	100.0%	\$50,000	100.0%

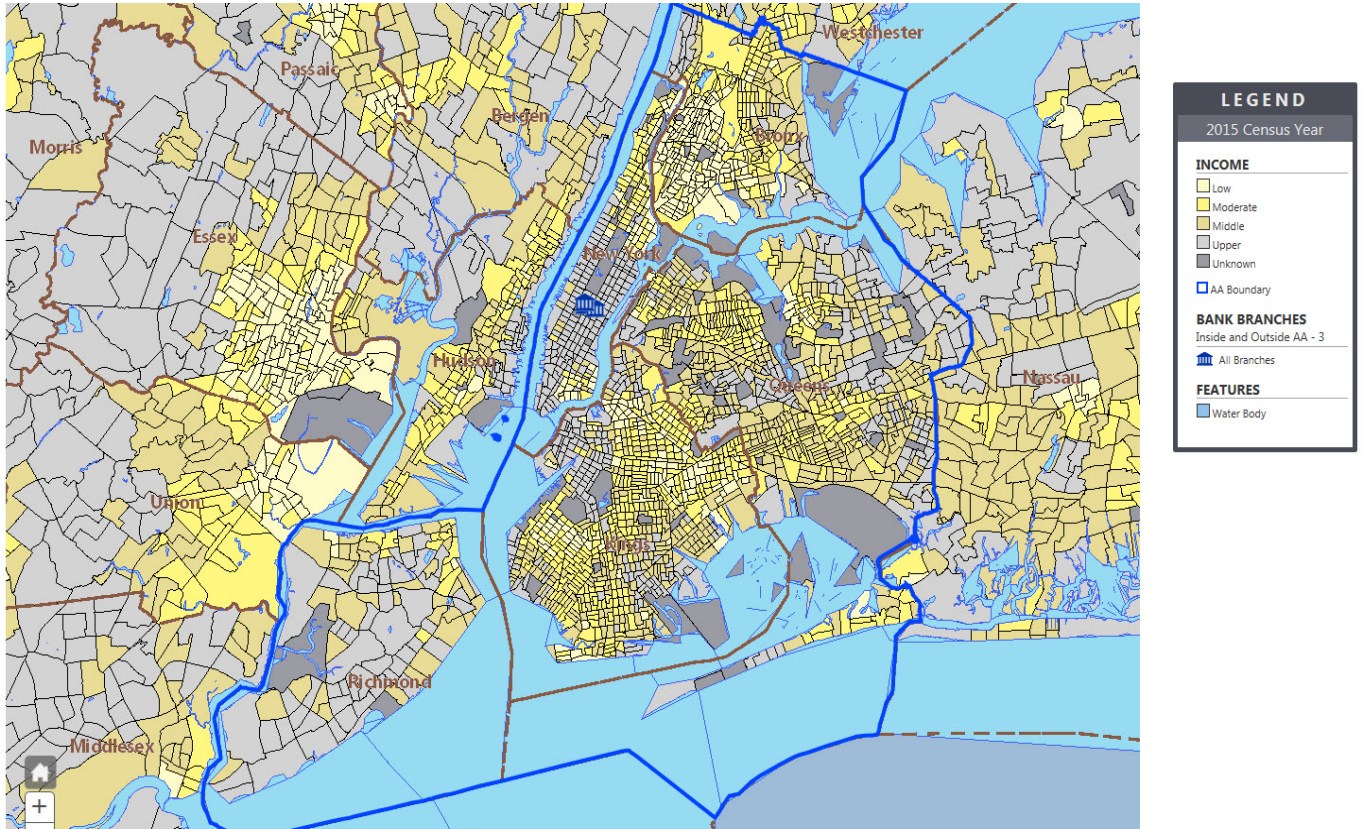
Qualified Investments

During the evaluation period, as noted in the table to the right, Mizuho maintained 62 qualified investments totaling \$451 thousand that benefitted individuals and markets outside of its assessment area. All of the 62 qualified investments were philanthropic grants funded by Mizuho USA Foundation. By volume, the majority of Mizuho’s efforts were targeted toward community services, which equaled 53 (85.5%) in philanthropic grants for a total of \$330 thousand (73.2%).

QUALIFIED INVESTMENTS				
Purpose	#	% (#)	\$(‘000)	% (\$)
Affordable Housing	6	9.7%	\$109	24.2%
Community Services	53	85.5%	\$330	73.2%
Revitalize and Stabilize	3	4.8%	\$12	2.7%
Total	62	100.0%	\$451	100.0%

CRA APPENDIX A

**MAP OF ASSESSMENT AREA
MD 35614 (NEW YORK-JERSEY CITY-WHITE PLAINS, NY-NJ)**



CRA APPENDIX B

GLOSSARY

Aggregate lending: The number of loans originated and purchased by all reporting lenders in specified income categories as a percentage of the aggregate number of loans originated and purchased by all reporting lenders in the metropolitan area/assessment area.

Census tract: A small, relatively permanent statistical subdivision of a county or statistically equivalent entity delineated for data presentation purposes by a local group of census data users or the geographic staff of a regional census center in accordance with Census Bureau guidelines. Designed to be relatively homogeneous units with respect to population characteristics, economic status, and living conditions at the time they are established, census tracts generally contain between 1,000 and 8,000 people, with an optimum size of 4,000 people. Census tract boundaries are delineated with the intention of being stable over many decades, so they generally follow relatively permanent visible features. However, they may follow governmental unit boundaries and other invisible features in some instances; the boundary of a state or county (or statistically equivalent entity) is always a census tract boundary.

Community development: Affordable housing (including multifamily rental housing) for low- or moderate-income individuals; community services targeted to low- or moderate-income individuals; activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration's Development Company or Small Business Investment Company programs (13 CFR 121.301) or have gross annual revenues of \$1 million or less; or, activities that revitalize or stabilize low- or moderate-income geographies.

Effective September 1, 2005, the Board of Governors of the Federal Reserve System, Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation have adopted the following additional language as part of the revitalize or stabilize definition of community development. Activities that revitalize or stabilize-

- (i) Low-or moderate-income geographies;
- (ii) Designated disaster areas; or
- (iii) Distressed or underserved nonmetropolitan middle-income geographies designated by the Board, Federal Deposit Insurance Corporation, and Office of the Comptroller of the Currency, based on-
 - a. Rates of poverty, unemployment, and population loss; or
 - b. Population size, density, and dispersion. Activities that revitalize and stabilize geographies designated based on population size, density, and dispersion if they help to meet essential community needs, including needs of LMI individuals.

Consumer loan(s): A loan(s) to one or more individuals for household, family, or other personal expenditures. A consumer loan does not include a home mortgage, small business, or small farm loan. This definition includes the following categories: motor vehicle loans, credit card loans, home equity loans, other secured consumer loans, and other unsecured consumer loans.

Family: A family is a group of two or more people related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

Geography: A census tract delineated by the United States Bureau of the Census in the most recent decennial census.

Home Mortgage Disclosure Act (“HMDA”): The statute that requires certain mortgage lenders that do business or have banking offices in a metropolitan statistical area to file annual summary reports of their mortgage lending activity. The reports include such data as the race, gender, and income of applicants, the amount of loan requested, and the disposition of the application (e.g., approved, denied, and withdrawn).

Home mortgage loans: Includes home purchase and home improvement loans as defined in the HMDA regulation. This definition also includes multifamily (five or more families) dwelling loans, loans for the purchase of manufactured homes, and refinancings of home improvement and home purchase loans.

Household: A household consists of all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household. The count of households excludes group quarters.

Low-income: Individual income that is less than 50% of the area median income, or a median family income that is less than 50%, in the case of geography.

Metropolitan Statistical Area (“MSA”): A geographic entity defined by the federal Office of Management and Budget for use by federal statistical agencies, based on the concept of a core area with a large population nucleus, plus adjacent communities having a high degree of economic and social integration with that core.

Middle-income: Individual income that is at least 80% and less than 120% of the area median income, or a median family income that is at least 80% and less than 120%, in the case of a geography.

Moderate-income: Individual income that is at least 50% and less than 80% of the area median income, or a median family income that is at least 50% and less than 80%, in the case of a geography.

Owner-occupied units: Includes units occupied by the owner or co-owner, even if the unit has not been fully paid for or is mortgaged.

Qualified investment: A qualified investment is defined as any lawful investment, deposit, membership share or grant that has as its primary purpose community development.

Small loan(s) to business(es): A loan included in “loans to small businesses” as defined in the Consolidated Report of Condition and Income (“Call Report”) and the Thrift Financial Reporting (“TFR”) instructions. These loans have original amounts of \$1 million or less and typically are either secured by nonfarm or nonresidential real estate or are classified as commercial and industrial loans. However, thrift institutions may also exercise the option to report loans secured by nonfarm residential real estate as "small business loans" if the loans are reported on the TFR as nonmortgage, commercial loans.

Upper-income: Individual income that is more than 120% of the area median income, or a median family income that is more than 120%, in the case of a geography.